AMENDMENTS TO THE CLAIMS

 (Currently Amended) A method of unilevel marketing and distribution, the method comprising the steps of:

preparing tangible promotional materials at a distributor for mass distribution;

- using a computer to receive a reference for a specific potential customer from a sales representative, the reference being initiated by said sales representative who is known <u>personally</u> by said potential customer and received by <u>a seller the distributor</u>, wherein said reference includes a message that is personalized specifically to the potential customer from said sales representative:
- personalizing the <u>previously prepared tangible</u> promotional materials for distribution to said potential customer, wherein personalizing the promotional materials comprises the step of modifying <u>the previously prepared tangible</u> promotional materials to include said personalized message and means for identifying said sales representative;
- distributing said tangible promotional materials directly to said potential customers from a the distributor;
- if the potential customer purchases from said promotional materials, using a computer to:
 - receive a purchase order from said potential customer, wherein said order is received by said distributor and identifies said sales representative;

receive payment for said order; and

- distribute a portion of said received payment as a commission to said sales representative.
- (Previously Presented) The method of claim 1, wherein the reference received from the sales representative is received over the internet using a web page accessed by the sales representative.

- (Previously Presented) The method of claim 1, wherein said means for identifying the sales representative is an identification number.
- (Previously Presented) The method of claim 1, wherein said means for identifying provides said distributor with preferred options for distributing said portion of said received payment to the sales representative.
- (Previously Presented) The method of claim 1, wherein said reference is received over the internet.
- (Previously Presented) The method of claim 1, wherein said reference is received via E-mail.
- (Previously Presented) The method of claim 1, wherein said promotional materials are received via a telephone.
- (Original) The method of claim 1, wherein the promotional materials are in an audio form.
- (Original) The method of claim 1, wherein the promotional materials are in printed form.
- (Original) The method of claim 1, wherein the promotional materials are in a video presentation format.
- (Previously Presented) The method of claim 1, wherein the reference provided by the sales representative includes the customer's age, interests, income level, or household.

- (Previously Presented) The method of claim 1, wherein the reference is received by a distributor was input by the sales representative at a website.
- (Previously Presented) The method of claim 1, wherein the reference received from the sales representative is stored in a customer database.
- (Original) The method of claim 1, wherein the promotional materials are transmitted to the customer over the internet in the form of electronic mail.
- (Original) The method of claim 1, wherein the customer purchases over the internet.
- 16. (Currently Amended) A method for selling product through direct promotion and direct distribution to a customer, the method comprising the steps of:

preparing tangible promotional materials at a distributor for mass distribution;

- using a computer to receive a referral from a sales representative over the internet for a specific potential customer, the referral being initiated by said sales representative entering information into a webpage, wherein said referral includes a message that is personalized specifically to said customer from said sales representative, who is <u>personally</u> known by said customer:
- personalizing the <u>tangible</u> promotional materials <u>at the distributor</u> for said customer, wherein personalizing said <u>tangible</u> promotional materials comprises the step of modifying the <u>tangible</u> promotional materials to include said personalized message and an identifier of said sales representative;
- sending said <u>tangible</u> promotional materials to said customer from a <u>the</u> distributor;

if said customer purchases from said promotional materials, using a computer to:

- receive a purchase order from said customer, said purchase order containing said identifier of said sales representative;
- receive payment for said order from said customer; wherein the payment is received by an entity selected from a list consisting of the distributor and a seller; and
- provide a portion of said payment to said sales representative as a commission for said purchase.

17. (Cancelled)

- (Original) The method of claim 16, wherein said identifier is an identification number.
- (Previously Presented) The method of claim 16, wherein said promotional materials are received over the internet.
- (Previously Presented) The method of claim 16, wherein said referral is received via E-mail.
- (Previously Presented) The method of claim 16, wherein said promotional materials are received via telephone.
- (Original) The method of claim 16, wherein the promotional materials are in an audio form.
- (Original) The method of claim 16, wherein the promotional materials are in printed form.

- (Original) The method of claim 16, wherein the promotional materials are in a video presentation format.
- (Previously Presented) The method of claim 16, wherein the referral provided by the sales representative includes the customer's age, interests, income level, or household.
 - 26. (Cancelled)
- (Previously Presented) The method of claim 16, wherein the referral received from the sales representative is stored in a customer database.
- 28. (Original) The method of claim 16, wherein the promotional materials are transmitted to the customer over the internet in the form of electronic mail.
- (Original) The method of claim 16, wherein the customer purchases over the internet.